

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA

VENUE: SAN FRANCISCO

UNITED STATES OF AMERICA,
V.

SEALED
[REDACTED]

VLADIMIR HANDL, et al.
SEE ATTACHMENT A

FILED
MAR 24 2015
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CR 15-0126 WHD

DEFENDANT(S).

INDICTMENT

VIOLATIONS: Title 18, United States Code, Section 1962(d) – Racketeering Conspiracy; Title 18, United States Code, Section 1962(c) – Racketeering; Title 18, United States Code, Section 1956(h) – Money Laundering Conspiracy; Title 18, United States Code, Section 1956(a)(3)(A) & (B) – Money Laundering; Title 18, United States Code, Section 641 – Theft of United States Property; Title 21, United States Code, Section 846 – Narcotics Conspiracy; Title 18, United States Code, Section 2 – Aiding & Abetting; Title 18, United States Code, Sections 1963, 982(a)(1), and 981(a)(1)(C), Title 21, United States Code, Section 853(a)(1) & (2), and Title 28, United States Code, Section 2461(c) – Forfeiture

A true bill.

[Signature]
Foreman

Filed in open court this 24th day of

March 2015
[Signature]
Clerk
ROSE MAHER

NO BAIL ARREST WARRANT

FOR

John McGahn
Donna Grisett
Richard Bush

ATTACHMENT A

- (1) VLADIMIR HANDL,
- (2) MICHAEL ROSE,
- (3) PETER SCALISE,
- (4) PML CLUBS, INC.,
- (5) DAVID GAITHER,
- (6) RICHARD LEYLAND,
- (7) EDWIN HETHERTON,
- (8) PAUL FINK,
- (9) JOHN DAVID MCGAHA,
- (10) DOMINIC GABRIEL GRISSETT, and
- (11) RICHARD OBRYANT BUSH,

United States District Court
Northern District of California



CRIMINAL COVER SHEET

Instructions: Effective January 3, 2012, this Criminal Cover Sheet must be completed and submitted, along with the Defendant Information Form, for each new criminal case.

Case Name:

USA v. Vladimir Handle, et al.

CR 15

Case Number:

0175

Vc

Total Number of Defendants:

1 ☐

2-7 ☐

8 or more ☒

Is This Case Under Seal?

Yes ☒

No ☐

Does this case involve ONLY charges under 8 U.S.C. § 1325 and/or 1326?

Yes ☐

No ☒

Venue (Per Crim. L.R. 18-1):

SF ☒

OAK ☐

SJ ☐

EUR ☐

MON ☐

Is any defendant charged with a death-penalty-eligible crime?

Yes ☐

No ☒

Assigned AUSA (Lead Attorney):

Wilson Leung

Is this a RICO Act gang case?

Yes ☐

No ☒

Date Submitted:

March 24, 2015

Comments:

Save

Print

Clear Form

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. Att'y ☐ Defense

☐ this prosecution relates to a pending case involving this same defendant

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW
DOCKET NO.

MAGISTRATE
CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

VLADIMIR HANDL

DISTRICT COURT NUMBER
15-CR-0126 WTH

FILED
MAR 24 2015
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT

IS NOT IN CUSTODY

- 1) ☐ Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☒ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State
- If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No } If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☒ NO PROCESS*

☐ WARRANT Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address: _____

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments: _____

United States v. Vladimir Handl

Penalty Sheet (cont'd)

Count One (Racketeering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$250,000 or 2x gain/loss
Mandatory special assessment:	\$100

Count Two (Racketeering)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$250,000 or 2x gain/loss
Mandatory special assessment:	\$100

Count Three (Money Laundering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Counts Four through One Hundred Twenty-One (Money Laundering)

Each count

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Count One Hundred Thirty-Two (Narcotics Conspiracy)

Maximum term of imprisonment:	Life
Mandatory minimum term of Imprisonment:	10 years
Maximum term of supervised release:	Life
Mandatory minimum term of supervised Release:	5 years
Maximum fine:	\$10 million or 2x gain/loss
Mandatory special assessment:	\$100

All counts: Restitution and Forfeiture

Maximum aggregate term of imprisonment: Life + 2,420 years

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

SEALED
EXHIBIT

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

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CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

MICHAEL ROSE

DISTRICT COURT NUMBER
15-CR-0126 WTB

FILED
MAR 24 2015
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT

IS NOT IN CUSTODY

- 1) ☐ Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☒ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State
- If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No } If "Yes" give date filed

DATE OF
ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

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TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☒ NO PROCESS*

☐ WARRANT Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address: _____

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Date/Time: _____

Before Judge: _____

Comments: _____

United States v. Michael Rose
Penalty Sheet (cont'd)

Count One (Racketeering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$250,000 or 2x gain/loss
Mandatory special assessment:	\$100

Count Two (Racketeering)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$250,000 or 2x gain/loss
Mandatory special assessment:	\$100

Count Three (Money Laundering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Counts Seventeen through One Hundred Twenty-One (Money Laundering)

Each count

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Count One Hundred Thirty-Two (Narcotics Conspiracy)

Maximum term of imprisonment:	Life
Mandatory minimum term of Imprisonment:	10 years
Maximum term of supervised release:	Life
Mandatory minimum term of supervised Release:	5 years
Maximum fine:	\$10 million or 2x gain/loss
Mandatory special assessment:	\$100

All counts: Restitution and Forfeiture

Maximum aggregate term of imprisonment: Life + 2,160 years

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

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SHOW
DOCKET NO.

MAGISTRATE
CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

PETER SCALISE

DISTRICT COURT NUMBER

15-CR-0126

WHO

DEFENDANT

IS NOT IN CUSTODY

- 1) ☐ Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☒ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State
- If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No } If "Yes" give date filed

DATE OF
ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED
TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☒ NO PROCESS*

☐ WARRANT Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address: _____

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments: _____

United States v. Peter Scalise

Penalty Sheet (cont'd)

Count One (Racketeering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$250,000 or 2x gain/loss
Mandatory special assessment:	\$100

Count Two (Racketeering)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$250,000 or 2x gain/loss
Mandatory special assessment:	\$100

Count Three (Money Laundering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Counts Four through One Hundred Twenty-One (Money Laundering)

Each count

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

All counts: Restitution and Forfeiture

Maximum aggregate term of imprisonment: 2,420 years

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

PML CLUBS, INC.

DISTRICT COURT NUMBER

15-CR-0126 W HO

FILED
MAR 24 2015
RICHARD W. WIEKING
CLERK U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT

IS NOT IN CUSTODY

- 1) ☐ Has not been arrested, pending outcome this proceeding.
If not detained give date any prior summons was served on above charges
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- 3) ☒ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State
- If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No

If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

☐ person is awaiting trial in another Federal or State Court, give name of court

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☐ this prosecution relates to a pending case involving this same defendant

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW DOCKET NO.

MAGISTRATE CASE NO.

Name and Office of Person Furnishing Information on THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y (if assigned)

W.S. Wilson Leung

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☒ NO PROCESS*

☐ WARRANT Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address: _____

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments: _____

United States v. PML Clubs, Inc.
Penalty Sheet (cont'd)

Count One (Racketeering Conspiracy)

Maximum fine: \$250,000 or 2x gain/loss
Mandatory special assessment: \$100

Count Two (Racketeering)

Maximum fine: \$250,000 or 2x gain/loss
Mandatory special assessment: \$100

Count Three (Money Laundering Conspiracy)

Maximum fine: \$500,000 or 2x value of property
Mandatory special assessment: \$100

Counts Seventeen through One Hundred Twenty-One (Money Laundering)

Each count

Maximum fine: \$500,000 or 2x value of property
Mandatory special assessment: \$100

All counts: Restitution and Forfeiture

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

SEALED
BY COURT ORDER

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

☐ person is awaiting trial in another Federal or State Court, give name of court

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SHOW
DOCKET NO.

MAGISTRATE
CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

DAVID GAITHER

DISTRICT COURT NUMBER
15-CR-0126 *W Ho*

FILED
MAR 24 2015
RICHARD W. WIEKING
CLERK U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT

IS NOT IN CUSTODY

- 1) ☐ Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
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IS IN CUSTODY

- 4) ☐ On this charge
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- If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No } If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☒ NO PROCESS*

☐ WARRANT Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address: _____

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments: _____

United States v. David Gaither
Penalty Sheet (cont'd)

Count One (Racketeering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$250,000 or 2x gain/loss
Mandatory special assessment:	\$100

Count Three (Money Laundering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Count One Hundred Thirty-Two (Narcotics Conspiracy)

Maximum term of imprisonment:	Life
Mandatory minimum term of Imprisonment:	10 years
Maximum term of supervised release:	Life
Mandatory minimum term of supervised Release:	5 years
Maximum fine:	\$10 million or 2x gain/loss
Mandatory special assessment:	\$100

All counts: Restitution and Forfeiture

Maximum aggregate term of imprisonment: Life + 40 years

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

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CASE NO.

Name and Office of Person
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THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

RICHARD LEYLAND

DISTRICT COURT NUMBER
15-CR-0126 W/HO

FILED
MAR 24 2015
RICHARD W. WIEKING
CLERK U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT

IS NOT IN CUSTODY

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IS IN CUSTODY

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- If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No } If "Yes" give date filed

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Month/Day/Year

Or... if Arresting Agency & Warrant were not

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TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☒ NO PROCESS* ☐ WARRANT

Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address: _____

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments: _____

United States v. Richard Leyland
Penalty Sheet (cont'd)

Count Twenty-Two (Money Laundering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Counts One Hundred Twenty-Six through One Hundred Twenty-Nine (Money Laundering)

Each count

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Count One Hundred Thirty-One (Theft of United States Property)

Maximum term of imprisonment:	10 years
Maximum term of supervised release:	3 years
Maximum fine:	\$250,000 or 2x gain/loss
Mandatory special assessment:	\$100

All counts: Restitution and Forfeiture

Maximum aggregate term of imprisonment: 110 years

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

☐ person is awaiting trial in another Federal or State Court, give name of court

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Name and Office of Person
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Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

EDWIN HETHERTON

DISTRICT COURT NUMBER
15-CR-0126 W H O

DEFENDANT

IS NOT IN CUSTODY

- 1) ☐ Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☒ Is on Bail or Release from (show District)

IS IN CUSTODY

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TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☒ NO PROCESS* ☐ WARRANT Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address: _____

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments: _____

United States v. Edwin Hetherton
Penalty Sheet (cont'd)

Count Twenty-Two (Money Laundering Conspiracy)

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Counts One Hundred Twenty-Three through One Hundred Twenty-Five (Money Laundering)

Each count

Maximum term of imprisonment:	20 years
Maximum term of supervised release:	3 years
Maximum fine:	\$500,000 or 2x value of property
Mandatory special assessment:	\$100

Count One Hundred Thirty (Theft of United States Property)

Maximum term of imprisonment:	10 years
Maximum term of supervised release:	3 years
Maximum fine:	\$250,000 or 2x gain/loss
Mandatory special assessment:	\$100

All counts: Restitution and Forfeiture

Maximum aggregate term of imprisonment: 90 years

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. Att'y ☐ Defense

☐ this prosecution relates to a pending case involving this same defendant

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW
DOCKET NO.

MAGISTRATE
CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

PAUL FINK

DISTRICT COURT NUMBER
15-CR-0126 *W Ho*

FILED
MAR 24 2015
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT

IS NOT IN CUSTODY

- 1) ☐ Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☒ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State
- If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No } If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☒ NO PROCESS*

☐ WARRANT Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address: _____

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____

Before Judge: _____

Comments: _____

United States v. Paul Fink
Penalty Sheet (cont'd)

Count One Hundred Thirty-Two (Narcotics Conspiracy)

Maximum term of imprisonment:	Life
Mandatory minimum term of	
Imprisonment:	10 years
Maximum term of supervised release:	Life
Mandatory minimum term of supervised	
Release:	5 years
Maximum fine:	\$10 million or 2x gain/loss
Mandatory special assessment:	\$100

Restitution and Forfeiture

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

JOHN DAVID MCGAHA

DISTRICT COURT NUMBER
15-CR-0126

WHO

FILED
MAR 24 2015
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. Att'y ☐ Defense

☐ this prosecution relates to a pending case involving this same defendant

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW
DOCKET NO.

MAGISTRATE
CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

DEFENDANT

IS NOT IN CUSTODY

- 1) ☒ Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☐ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State

If answer to (6) is "Yes", show name of institution

Has detainer
been filed?

☐ Yes
☐ No

If "Yes"
give date
filed

**DATE OF
ARREST**

Month/Day/Year

Or... if Arresting Agency & Warrant were not

**DATE TRANSFERRED
TO U.S. CUSTODY**

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☐ NO PROCESS*

☒ WARRANT

Bail Amount: No bail

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments:

United States v. John David McGaha
Penalty Sheet (cont'd)

Count One Hundred Thirty-Two (Narcotics Conspiracy)

Maximum term of imprisonment:	Life
Mandatory minimum term of	
Imprisonment:	10 years
Maximum term of supervised release:	Life
Mandatory minimum term of supervised	
Release:	5 years
Maximum fine:	\$10 million or 2x gain/loss
Mandatory special assessment:	\$100

Restitution and Forfeiture

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

DOMINIC GABRIEL GRISSETT

DISTRICT COURT NUMBER
15-CR-0126 WHO

FILED
MAR 24 2015
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

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☐ U.S. Att'y ☐ Defense

☐ this prosecution relates to a pending case involving this same defendant

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW
DOCKET NO.

MAGISTRATE
CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

DEFENDANT

IS NOT IN CUSTODY

- 1) ☒ Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☐ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State

If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No } If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☐ NO PROCESS*

☒ WARRANT

Bail Amount: No bail

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments:

United States v. Dominic Gabriel Grissett
Penalty Sheet (cont'd)

Count One Hundred Thirty-Two (Narcotics Conspiracy)

Maximum term of imprisonment:	Life
Mandatory minimum term of	
Imprisonment:	10 years
Maximum term of supervised release:	Life
Mandatory minimum term of supervised	
Release:	5 years
Maximum fine:	\$10 million or 2x gain/loss
Mandatory special assessment:	\$100

Restitution and Forfeiture

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☒ SUPERSEDING

OFFENSE CHARGED

Please see attached

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY:

Please see attached

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
Special Agent, Jonathan Fisher, Federal Bureau of Investigation

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. Att'y ☐ Defense

☐ this prosecution relates to a pending case involving this same defendant

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW
DOCKET NO.

MAGISTRATE
CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

Melinda Haag

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
(if assigned)

W.S. Wilson Leung

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

RICHARD OBRYANT BUSH

DISTRICT COURT NUMBER

15-CR-0126

W HO

FILED
MAR 24 2015

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT

IS NOT IN CUSTODY

- 1) ☒ Has not been arrested, pending outcome this proceeding.
If not detained give date any prior summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☐ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State

If answer to (6) is "Yes", show name of institution

Has detainer
been filed?

☐ Yes
☐ No

If "Yes"
give date
filed

**DATE OF
ARREST**

Month/Day/Year

Or... if Arresting Agency & Warrant were not

**DATE TRANSFERRED
TO U.S. CUSTODY**

Month/Day/Year

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☐ NO PROCESS*

☒ WARRANT

Bail Amount: No bail

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments:

United States v. Richard Obryant Bush
Penalty Sheet (cont'd)

Count One Hundred Thirty-Two (Narcotics Conspiracy)

Maximum term of imprisonment:	Life
Mandatory minimum term of	
Imprisonment:	10 years
Maximum term of supervised release:	Life
Mandatory minimum term of supervised	
Release:	5 years
Maximum fine:	\$10 million or 2x gain/loss
Mandatory special assessment:	\$100

Restitution and Forfeiture

MELINDA HAAG (CABN 132612)
United States Attorney

FILED
2015 MAR 24 A 11:20
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

[REDACTED]
[REDACTED]

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA

v.

(1) VLADIMIR HANDL,
(2) MICHAEL ROSE,
(3) PETER SCALISE,
(4) PML CLUBS, INC.,
(5) DAVID GAITHER,
(6) RICHARD LEYLAND,
(7) EDWIN HETHERTON,
(8) PAUL FINK,
(9) JOHN DAVID MCGAHA,
(10) DOMINIC GABRIEL GRISSETT, and
(11) RICHARD OBRYANT BUSH,

Defendants.

No. *CR 15-0126 W/HO*

) VIOLATIONS: Title 18, United States Code, Section
) 1962(d) – Racketeering Conspiracy; Title 18, United
) States Code, Section 1962(c) – Racketeering; Title
) 18, United States Code, Section 1956(h) – Money
) Laundering Conspiracy; Title 18, United States Code,
) Section 1956(a)(3)(A) & (B) – Money Laundering;
) Title 18, United States Code, Section 641 – Theft of
) United States Property; Title 21, United States Code,
) Section 846 – Narcotics Conspiracy; Title 18, United
) States Code, Section 2 – Aiding & Abetting; Title 18,
) United States Code, Sections 1963, 982(a)(1), and
) 981(a)(1)(C), Title 21, United States Code, Section
) 853(a)(1) & (2), and Title 28, United States Code,
) Section 2461(c) – Forfeiture

) SAN FRANCISCO VENUE

) UNDER SEAL

FIRST SUPERSEDING INDICTMENT

The Grand Jury charges:

COUNT ONE: (18 U.S.C. § 1962(d) – Racketeering Conspiracy)

Introductory Allegations

At all times relevant to this Indictment:

1. Defendant VLADIMIR HANDL was a businessman in Myrtle Beach, South Carolina,

1 with a variety of business interests, including interests in restaurants, night clubs, and personal fitness.
2 HANDL operated and controlled, among other entities, VIP Group, LLC, International VH, LLC, and
3 Heat Lounge, LLC. Defendant MICHAEL ROSE, like HANDL, was a businessman in the Myrtle
4 Beach area, with interests in, among other things, restaurants, night clubs, and strip clubs. ROSE was
5 the principal owner of defendant PML CLUBS, INC. PML CLUBS, INC., was a Delaware corporation
6 with ROSE in South Carolina as its registered agent. ROSE, through PML CLUBS, INC., owned the
7 rights to use the name "The Gold Club" in connection with the operation of strip clubs. ROSE, through
8 PML CLUBS, INC., licensed the name "The Gold Club" to franchisees throughout the United States.
9 ROSE, through PML CLUBS, INC., also directly operated a variety of strip clubs on the East Coast of
10 the United States, including The Gold Clubs in Myrtle Beach, Hilton Head, and Wellford in South
11 Carolina, The Gold Club in Wilmington, Delaware, and The Gold Club in Bedford, New Hampshire. In
12 addition to PML CLUBS, INC., ROSE also operated and controlled, among other entities, Explosive
13 Clubs, Inc., Nightclub and Restaurant Services, LLC, Legacy Entertainment, East Coast Restaurant &
14 Nightclubs, and Micro Management Group, LLC.

15 2. Defendant DAVID GAITHER was an associate of MICHAEL ROSE and helped manage
16 some of ROSE's strip clubs. Defendant PETER SCALISE was an associate of HANDL who, at one
17 time, operated a restaurant with HANDL. SCALISE was also a brother-in-law of Edwin Hetherton,
18 with whom he engaged in fraudulent real estate transactions.

19 The Racketeering Enterprise

20 3. Defendants VLADIMIR HANDL, MICHAEL ROSE, PETER SCALISE, PML CLUBS,
21 INC., and DAVID GAITHER, and the entities operated and controlled by HANDL and ROSE,
22 including VIP Group, LLC, International VH, LLC, and Heat Lounge, LLC, Explosive Clubs, Inc.,
23 Nightclub and Restaurant Services, LLC, Legacy Entertainment, East Coast Restaurant & Nightclubs,
24 and Micro Management Group, LLC, together with others known and unknown, comprised the "Handl
25 Enterprise." The Handl Enterprise, including its leadership, members, and associates, in the Northern
26 District of California and elsewhere, constituted an "enterprise" as defined in Title 18, United States
27 Code, Section 1961(4), that is, a group of individuals and entities associated in fact. The enterprise
28 constituted an ongoing organization whose members functioned as a continuing unit for a common

1 purpose of achieving the objectives of the enterprise. The enterprise engaged in, and its activities
2 affected, interstate and foreign commerce.

3 Purposes of the Enterprise

4 4. The purposes of the Handl Enterprise included but were not limited to the following:

5 a. Obtaining profits and property for its members and associates through the
6 commission of criminal acts, including, but not limited to, laundering money;

7 b. Promoting and enhancing the enterprise and the activities of its members and
8 associates;

9 c. Providing assistance to other enterprise members and associates in order to
10 hinder, obstruct, and prevent law enforcement officers from identifying the offenders, apprehending the
11 offenders, and successfully prosecuting and punishing the offenders.

12 Means and Methods of the Enterprise

13 5. Among the means and methods by which the members and associates of the Handl
14 Enterprise conducted and participated in the conduct of the affairs of the enterprise were the following:

15 a. The members and associates of the Handl Enterprise sought to establish
16 relationships with individuals they believed were engaged in criminal activity in order to cultivate
17 clients for the Handl Enterprise's money laundering services.

18 b. The members and associates of the Handl Enterprise created shell business
19 entities in order to use these entities for their money laundering activities.

20 c. The members and associates of the Handl Enterprise created documents
21 containing false information, such as fraudulent invoices, false contracts, and other fraudulent business
22 records, in order to facilitate their money laundering activities.

23 d. The members and associates of the Handl Enterprise used assets and property of
24 PML CLUBS, INC., and other entities operated and controlled by HANDL and ROSE in order to
25 facilitate their money laundering activities.

26 f. The members and associates of the Handl Enterprise solicited investments from
27 individuals they believed were engaged in criminal activity.

28 //

The Racketeering Conspiracy

6. From at least in or about 2011, up through and including the date of this Indictment, in the Northern District of California and elsewhere, the defendants,

(1) VLADIMIR HANDL,
(2) MICHAEL ROSE,
(3) PETER SCALISE,
(4) PML CLUBS, INC., and
(5) DAVID GAITHER,

and others known and unknown, being persons employed by and associated with the enterprise described above, namely, the Handl Enterprise, which enterprise was engaged in, and the activities of which affected, interstate and foreign commerce, unlawfully and knowingly combined, conspired, confederated, and agreed together and with each other to conduct and participate, directly and indirectly, in the conduct of the affairs of the enterprise through a pattern of racketeering activity, which pattern of racketeering consisted of:

a. multiple acts indictable under Title 18, United States Code, Sections 1956 and 1344; and

b. offenses involving dealing in a controlled substance, in violation of Title 21, United States Code, Sections 841(a)(1) and 846.

7. It was part of the conspiracy that each defendant agreed that a conspirator would commit at least two acts of racketeering activity in the conduct of the affairs of the enterprise.

All in violation of Title 18, United States Code, Section 1962(d).

COUNT TWO: (18 U.S.C. § 1962(c) – Racketeering)

8. Paragraphs 1 through 5 of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein.

9. From at least in or about 2011, up through and including the date of this Indictment, in the Northern District of California and elsewhere, the defendants,

(1) VLADIMIR HANDL,
(2) MICHAEL ROSE,

(3) PETER SCALISE, and

(4) PML CLUBS, INC.,

and others known and unknown, being persons employed by and associated with the enterprise described above, namely, the Handl Enterprise, which enterprise was engaged in, and the activities of which affected, interstate and foreign commerce, unlawfully and knowingly conducted and participated, directly and indirectly, in the conduct of the affairs of that enterprise through a pattern of racketeering activity, that is, through the commission of the acts of racketeering set forth in Paragraphs 10 through 12 of this Indictment as Racketeering Acts 1 through 118.

The Pattern of Racketeering Activity

10. The pattern of racketeering activity, as defined in Title 18, United States Code, Sections 1961(1) and 1961(5), consisted of the following acts:

Racketeering Acts 1 Through 13

(Money Laundering)

11. Defendants VLADIMIR HANDL and PETER SCALISE committed the following acts of racketeering, which constitute Racketeering Acts 1 through 13:

a. On or about the dates set forth in the following table, in the Northern District of California and elsewhere, the defendants,

VLADIMIR HANDL and

PETER SCALISE,

and others known and unknown, unlawfully and knowingly, and with the intent to promote the carrying on of specified unlawful activity and to conceal and disguise the nature, location, source, ownership, and control of property believed to be the proceeds of specified unlawful activity, to wit, concealing property from a court in connection with a case under Title 11, in violation of Title 18, United States Code, Section 152, conducted and attempted to conduct a financial transaction, to wit, wire transfers, involving property represented to be the proceeds of specified unlawful activity, and property used to conduct and facilitate specified unlawful activity, in violation of Title 18, United States Code, Sections 1956(a)(3)(A) & (B) and 2, as described in the following table:

//

Racketeering Act	Date of Financial Transaction	Type of Financial Transaction	Amount of Financial Transaction
1	January 17, 2012	Wire Transfer	\$13,500
2	January 23, 2012	Wire Transfer	\$22,500
3	January 30, 2012	Wire Transfer	\$22,500
4	February 6, 2012	Wire Transfer	\$22,500
5	February 13, 2012	Wire Transfer	\$22,500
6	February 21, 2012	Wire Transfer	\$22,500
7	February 27, 2012	Wire Transfer	\$22,500
8	March 5, 2012	Wire Transfer	\$22,500
9	March 12, 2012	Wire Transfer	\$22,500
10	March 19, 2012	Wire Transfer	\$22,500
11	March 26, 2012	Wire Transfer	\$22,500
12	April 3, 2012	Wire Transfer	\$22,500
13	April 9, 2012	Wire Transfer	\$9,000

Racketeering Acts 14 Through 118

(Money Laundering)

12. Defendants VLADIMIR HANDL, MICHAEL ROSE, PETER SCALISE, and PML CLUBS, INC., committed the following acts of racketeering, which constitute Racketeering Acts 14 through 118:

a. On or about the dates set forth in the following table, in the Northern District of California and elsewhere, the defendants,

(1) VLADIMIR HANDL,

(2) MICHAEL ROSE,

(3) PETER SCALISE, and

(4) PML CLUBS, INC.,

and others known and unknown, unlawfully and knowingly, and with the intent to conceal and disguise

the nature, location, source, ownership, and control of property believed to be the proceeds of specified unlawful activity, to wit, distribution of a controlled substance and possession of a controlled substance with intent to distribute, in violation of Title 21, United States Code, Section 841(a)(1), and conspiracy to distribute a controlled substance and to possess a controlled substance with intent to distribute, in violation of Title 21, United States Code, Section 846, conducted and attempted to conduct a financial transaction, to wit, transfers of checks that were subsequently negotiated and wire transfers, involving property represented to be the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2, as described in the following table:

Racketeering Act	Date of Financial Transaction	Type of Financial Transaction	Amount of Financial Transaction
14	June 7, 2012	Transfer of Check	\$27,500
15	June 11, 2012	Transfer of Check	\$25,000
16	June 14, 2012	Transfer of Check	\$23,975
17	June 15, 2012	Transfer of Check	\$13,525
18	June 25, 2012	Transfer of Check	\$21,140
19	June 28, 2012	Transfer of Check	\$26,850
20	July 3, 2012	Transfer of Check	\$18,950
21	July 11, 2012	Transfer of Check	\$20,050
22	July 16, 2012	Transfer of Check	\$12,050
23	July 16, 2012	Transfer of Check	\$13,400
24	July 26, 2012	Transfer of Check	\$22,560
25	July 22, 2012	Transfer of Check	\$24,750
26	July 25, 2012	Transfer of Check	\$19,500
27	July 25, 2012	Transfer of Check	\$19,400
28	July 27, 2012	Transfer of Check	\$8,060
29	July 30, 2012	Transfer of Check	\$5,500
30	August 2, 2012	Transfer of Check	\$11,520

1	Racketeering	Date of Financial	Type of	Amount of
2	Act	Transaction	Financial Transaction	Financial Transaction
3	31	August 5, 2012	Transfer of Check	\$14,380
4	32	August 10, 2012	Transfer of Check	\$8,050
5	33	August 13, 2012	Transfer of Check	\$9,024
6	34	August 15, 2012	Transfer of Check	\$14,816
7	35	August 22, 2012	Transfer of Check	\$14,424
8	36	August 27, 2012	Transfer of Check	\$18,900
9	37	August 31, 2012	Transfer of Check	\$23,700
10	38	September 4, 2012	Transfer of Check	\$9,000
11	39	September 7, 2012	Transfer of Check	\$18,600
12	40	September 10, 2012	Transfer of Check	\$9,000
13	41	September 17, 2012	Transfer of Check	\$18,720
14	42	September 20, 2012	Transfer of Check	\$15,800
15	43	September 21, 2012	Transfer of Check	\$9,000
16	44	September 24, 2012	Transfer of Check	\$16,400
17	45	September 24, 2012	Transfer of Check	\$8,500
18	46	September 28, 2012	Transfer of Check	\$18,044
19	47	October 4, 2012	Transfer of Check	\$18,000
20	48	October 8, 2012	Transfer of Check	\$19,750
21	49	October 13, 2012	Transfer of Check	\$29,400
22	50	October 19, 2012	Transfer of Check	\$9,000
23	51	October 22, 2012	Transfer of Check	\$20,400
24	52	October 25, 2012	Transfer of Check	\$10,200
25	53	October 30, 2012	Transfer of Check	\$14,125
26	54	November 5, 2012	Transfer of Check	\$14,125
27	55	November 9, 2012	Transfer of Check	\$24,000
28				

1	Racketeering	Date of Financial	Type of	Amount of
2	Act	Transaction	Financial Transaction	Financial Transaction
3	56	November 16, 2012	Transfer of Check	\$22,500
4	57	November 26, 2012	Transfer of Check	\$21,800
5	58	November 29, 2012	Transfer of Check	\$18,500
6	59	December 4, 2012	Transfer of Check	\$34,075
7	60	December 5, 2012	Transfer of Check	\$14,125
8	61	December 12, 2012	Transfer of Check	\$25,640
9	62	December 24, 2012	Transfer of Check	\$24,450
10	63	December 28, 2012	Transfer of Check	\$26,850
11	64	December 31, 2012	Transfer of Check	\$27,225
12	65	January 2, 2013	Transfer of Check	\$16,850
13	66	January 18, 2013	Transfer of Check	\$2,850
14	67	January 28, 2013	Transfer of Check	\$2,850
15	68	February 4, 2013	Transfer of Check	\$8,285
16	69	February 8, 2013	Transfer of Check	\$35,550
17	70	February 8, 2013	Transfer of Check	\$7,500
18	71	February 11, 2013	Transfer of Check	\$25,000
19	72	February 11, 2013	Transfer of Check	\$19,500
20	73	February 11, 2013	Transfer of Check	\$43,500
21	74	February 12, 2013	Transfer of Check	\$15,750
22	75	February 15, 2013	Transfer of Check	\$7,750
23	76	February 20, 2013	Transfer of Check	\$28,450
24	77	March 22, 2013	Transfer of Check	\$5,850
25	78	April 10, 2013	Transfer of Check	\$1,150
26	79	June 24, 2014	Transfer of Check	\$20,000
27	80	June 30, 2014	Transfer of Check	\$15,500
28				

1	Racketeering	Date of Financial	Type of	Amount of
2	Act	Transaction	Financial Transaction	Financial Transaction
3	81	July 1, 2014	Transfer of Check	\$25,000
4	82	July 7, 2014	Transfer of Check	\$25,000
5	83	July 7, 2014	Transfer of Check	\$21,000
6	84	July 7, 2014	Transfer of Check	\$35,000
7	85	July 8, 2014	Transfer of Check	\$25,000
8	86	July 10, 2014	Transfer of Check	\$25,000
9	87	July 14, 2014	Wire Transfer	\$23,500
10	88	July 14, 2014	Transfer of Check	\$35,000
11	89	July 15, 2014	Transfer of Check	\$16,000
12	90	July 21, 2014	Transfer of Check	\$39,250
13	91	July 22, 2014	Transfer of Check	\$25,000
14	92	July 23, 2014	Transfer of Check	\$25,000
15	93	July 28, 2014	Transfer of Check	\$25,000
16	94	July 28, 2014	Transfer of Check	\$25,750
17	95	August 4, 2014	Transfer of Check	\$35,000
18	96	August 4, 2014	Transfer of Check	\$23,500
19	97	August 12, 2014	Transfer of Check	\$30,000
20	98	August 15, 2014	Transfer of Check	\$25,000
21	99	August 15, 2014	Transfer of Check	\$30,000
22	100	August 17, 2014	Transfer of Check	\$16,500
23	101	August 20, 2014	Transfer of Check	\$30,000
24	102	August 21, 2014	Transfer of Check	\$25,000
25	103	August 25, 2014	Transfer of Check	\$31.250
26	104	August 26, 2014	Wire Transfer	\$20,000
27	105	September 12, 2014	Transfer of Check	\$40,000
28				

Racketeering Act	Date of Financial Transaction	Type of Financial Transaction	Amount of Financial Transaction
106	September 13, 2014	Transfer of Check	\$10,000
107	September 15, 2014	Transfer of Check	\$25,000
108	September 16, 2014	Transfer of Check	\$20,000
109	September 19, 2014	Transfer of Check	\$30,000
110	September 25, 2014	Transfer of Check	\$15,000
111	September 28, 2014	Transfer of Check	\$10,000
112	September 29, 2014	Transfer of Check	\$20,000
113	September 29, 2014	Transfer of Check	\$20,000
114	October 3, 2014	Transfer of Check	\$17,500
115	October 15, 2014	Transfer of Check	\$10,000
116	December 1, 2014	Transfer of Check	\$3,250
117	December 12, 2014	Transfer of Check	\$5,000
118	December 31, 2014	Transfer of Check	\$5,000

All in violation of Title 18, United States Code, Section 1962(c).

COUNT THREE: (18 U.S.C. § 1956(h) – Money Laundering Conspiracy)

13. Paragraphs 1 through 4 of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein.

14. From at least in or about 2011, up through and including the date of this Indictment, in the Northern District of California and elsewhere, the defendants,

(1) VLADIMIR HANDL,

(2) MICHAEL ROSE,

(3) PETER SCALISE,

(4) PML CLUBS, INC., and

(5) DAVID GAITHER,

and others known and unknown, unlawfully and knowingly combined, conspired, confederated, and

1 agreed together and with each other to violate Title 18, United States Code, Section 1956(a)(3)(A) &
2 (B).

3 15. It was a part and an object of the conspiracy that the defendants,

4 (1) VLADIMIR HANDL,

5 (2) MICHAEL ROSE,

6 (3) PETER SCALISE,

7 (4) PML CLUBS, INC., and

8 (5) DAVID GAITHER,

9 and others known and unknown, with the intent to promote the carrying on of specified unlawful activity
10 and to conceal and disguise the nature, location, source, ownership, and control of property believed to
11 be the proceeds of specified unlawful activity, to wit, concealing property from a court in connection
12 with a case under Title 11, in violation of Title 18, United States Code, Section 152, distribution of a
13 controlled substance and possession of a controlled substance with intent to distribute, in violation of
14 Title 21, United States Code, Section 841(a)(1), and conspiracy to distribute a controlled substance and
15 to possess a controlled substance with intent to distribute, in violation of Title 21, United States Code,
16 Section 846, unlawfully and knowingly would and did conduct and attempt to conduct a financial
17 transaction involving property represented to be the proceeds of specified unlawful activity, and
18 property used to conduct and facilitate specified unlawful activity, in violation of Title 18, United States
19 Code, Section 1956(a)(3)(A) & (B).

20 All in violation of Title 18, United States Code, Section 1956(h).

21 COUNTS FOUR THROUGH SIXTEEN: (18 U.S.C. §§ 1956(a)(3)(A) & (B) and 2 – Money
22 Laundering)

23 16. On or about the dates set forth in the following table, in the Northern District of
24 California and elsewhere, the defendants,

25 VLADIMIR HANDL and

26 PETER SCALISE,

27 and others known and unknown, unlawfully and knowingly, and with the intent to promote the carrying
28 on of specified unlawful activity and to conceal and disguise the nature, location, source, ownership, and

control of property believed to be the proceeds of specified unlawful activity, to wit, concealing property from a court in connection with a case under Title 11, in violation of Title 18, United States Code, Section 152, conducted and attempted to conduct a financial transaction, to wit, wire transfers, involving property represented to be the proceeds of specified unlawful activity, and property used to conduct and facilitate specified unlawful activity, as described in the following table:

Count	Date of Financial Transaction	Type of Financial Transaction	Amount of Financial Transaction
4	January 17, 2012	Wire Transfer	\$13,500
5	January 23, 2012	Wire Transfer	\$22,500
6	January 30, 2012	Wire Transfer	\$22,500
7	February 6, 2012	Wire Transfer	\$22,500
8	February 13, 2012	Wire Transfer	\$22,500
9	February 21, 2012	Wire Transfer	\$22,500
10	February 27, 2012	Wire Transfer	\$22,500
11	March 5, 2012	Wire Transfer	\$22,500
12	March 12, 2012	Wire Transfer	\$22,500
13	March 19, 2012	Wire Transfer	\$22,500
14	March 26, 2012	Wire Transfer	\$22,500
15	April 3, 2012	Wire Transfer	\$22,500
16	April 9, 2012	Wire Transfer	\$9,000

All in violation of Title 18, United States Code, Sections 1956(a)(3)(A) & (B) and 2.

COUNTS SEVENTEEN THROUGH ONE HUNDRED TWENTY-ONE: (18 U.S.C. §§ 1956(a)(3)(B) and 2 – Money Laundering)

17. On or about the dates set forth in the following table, in the Northern District of California and elsewhere, the defendants,

(1) VLADIMIR HANDL,

(2) MICHAEL ROSE,

(3) PETER SCALISE, and

(4) PML CLUBS, INC.,

and others known and unknown, unlawfully and knowingly, and with the intent to conceal and disguise the nature, location, source, ownership, and control of property believed to be the proceeds of specified unlawful activity, to wit, distribution of a controlled substance and possession of a controlled substance with intent to distribute, in violation of Title 21, United States Code, Section 841(a)(1), and conspiracy to distribute a controlled substance and to possess a controlled substance with intent to distribute, in violation of Title 21, United States Code, Section 846, conducted and attempted to conduct a financial transaction, to wit, transfers of checks that were subsequently negotiated and wire transfers, involving property represented to be the proceeds of specified unlawful activity, as described in the following table:

Count	Date of Financial Transaction	Type of Financial Transaction	Amount of Financial Transaction
17	June 7, 2012	Transfer of Check	\$27,500
18	June 11, 2012	Transfer of Check	\$25,000
19	June 14, 2012	Transfer of Check	\$23,975
20	June 15, 2012	Transfer of Check	\$13,525
21	June 25, 2012	Transfer of Check	\$21,140
22	June 28, 2012	Transfer of Check	\$26,850
23	July 3, 2012	Transfer of Check	\$18,950
24	July 11, 2012	Transfer of Check	\$20,050
25	July 16, 2012	Transfer of Check	\$12,050
26	July 16, 2012	Transfer of Check	\$13,400
27	July 26, 2012	Transfer of Check	\$22,560
28	July 22, 2012	Transfer of Check	\$24,750
29	July 25, 2012	Transfer of Check	\$19,500
30	July 25, 2012	Transfer of Check	\$19,400

1	Count	Date of Financial	Type of	Amount of
2		Transaction	Financial Transaction	Financial Transaction
3	31	July 27, 2012	Transfer of Check	\$8,060
4	32	July 30, 2012	Transfer of Check	\$5,500
5	33	August 2, 2012	Transfer of Check	\$11,520
6	34	August 5, 2012	Transfer of Check	\$14,380
7	35	August 10, 2012	Transfer of Check	\$8,050
8	36	August 13, 2012	Transfer of Check	\$9,024
9	37	August 15, 2012	Transfer of Check	\$14,816
10	38	August 22, 2012	Transfer of Check	\$14,424
11	39	August 27, 2012	Transfer of Check	\$18,900
12	40	August 31, 2012	Transfer of Check	\$23,700
13	41	September 4, 2012	Transfer of Check	\$9,000
14	42	September 7, 2012	Transfer of Check	\$18,600
15	43	September 10, 2012	Transfer of Check	\$9,000
16	44	September 17, 2012	Transfer of Check	\$18,720
17	45	September 20, 2012	Transfer of Check	\$15,800
18	46	September 21, 2012	Transfer of Check	\$9,000
19	47	September 24, 2012	Transfer of Check	\$16,400
20	48	September 24, 2012	Transfer of Check	\$8,500
21	49	September 28, 2012	Transfer of Check	\$18,044
22	50	October 4, 2012	Transfer of Check	\$18,000
23	51	October 8, 2012	Transfer of Check	\$19,750
24	52	October 13, 2012	Transfer of Check	\$29,400
25	53	October 19, 2012	Transfer of Check	\$9,000
26	54	October 22, 2012	Transfer of Check	\$20,400
27	55	October 25, 2012	Transfer of Check	\$10,200
28				

1	Count	Date of Financial	Type of	Amount of
2		Transaction	Financial Transaction	Financial Transaction
3	56	October 30, 2012	Transfer of Check	\$14,125
4	57	November 5, 2012	Transfer of Check	\$14,125
5	58	November 9, 2012	Transfer of Check	\$24,000
6	59	November 16, 2012	Transfer of Check	\$22,500
7	60	November 26, 2012	Transfer of Check	\$21,800
8	61	November 29, 2012	Transfer of Check	\$18,500
9	62	December 4, 2012	Transfer of Check	\$34,075
10	63	December 5, 2012	Transfer of Check	\$14,125
11	64	December 12, 2012	Transfer of Check	\$25,640
12	65	December 24, 2012	Transfer of Check	\$24,450
13	66	December 28, 2012	Transfer of Check	\$26,850
14	67	December 31, 2012	Transfer of Check	\$27,225
15	68	January 2, 2013	Transfer of Check	\$16,850
16	69	January 18, 2013	Transfer of Check	\$2,850
17	70	January 28, 2013	Transfer of Check	\$2,850
18	71	February 4, 2013	Transfer of Check	\$8,285
19	72	February 8, 2013	Transfer of Check	\$35,550
20	73	February 8, 2013	Transfer of Check	\$7,500
21	74	February 11, 2013	Transfer of Check	\$25,000
22	75	February 11, 2013	Transfer of Check	\$19,500
23	76	February 11, 2013	Transfer of Check	\$43,500
24	77	February 12, 2013	Transfer of Check	\$15,750
25	78	February 15, 2013	Transfer of Check	\$7,750
26	79	February 20, 2013	Transfer of Check	\$28,450
27	80	March 22, 2013	Transfer of Check	\$5,850
28				

Count	Date of Financial Transaction	Type of Financial Transaction	Amount of Financial Transaction
81	April 10, 2013	Transfer of Check	\$1,150
82	June 24, 2014	Transfer of Check	\$20,000
83	June 30, 2014	Transfer of Check	\$15,500
84	July 1, 2014	Transfer of Check	\$25,000
85	July 7, 2014	Transfer of Check	\$25,000
86	July 7, 2014	Transfer of Check	\$21,000
87	July 7, 2014	Transfer of Check	\$35,000
88	July 8, 2014	Transfer of Check	\$25,000
89	July 10, 2014	Transfer of Check	\$25,000
90	July 14, 2014	Wire Transfer	\$23,500
91	July 14, 2014	Transfer of Check	\$35,000
92	July 15, 2014	Transfer of Check	\$16,000
93	July 21, 2014	Transfer of Check	\$39,250
94	July 22, 2014	Transfer of Check	\$25,000
95	July 23, 2014	Transfer of Check	\$25,000
96	July 28, 2014	Transfer of Check	\$25,000
97	July 28, 2014	Transfer of Check	\$25,750
98	August 4, 2014	Transfer of Check	\$35,000
99	August 4, 2014	Transfer of Check	\$23,500
100	August 12, 2014	Transfer of Check	\$30,000
101	August 15, 2014	Transfer of Check	\$25,000
102	August 15, 2014	Transfer of Check	\$30,000
103	August 17, 2014	Transfer of Check	\$16,500
104	August 20, 2014	Transfer of Check	\$30,000
105	August 21, 2014	Transfer of Check	\$25,000

Count	Date of Financial Transaction	Type of Financial Transaction	Amount of Financial Transaction
106	August 25, 2014	Transfer of Check	\$31,250
107	August 26, 2014	Wire Transfer	\$20,000
108	September 12, 2014	Transfer of Check	\$40,000
109	September 13, 2014	Transfer of Check	\$10,000
110	September 15, 2014	Transfer of Check	\$25,000
111	September 16, 2014	Transfer of Check	\$20,000
112	September 19, 2014	Transfer of Check	\$30,000
113	September 25, 2014	Transfer of Check	\$15,000
114	September 28, 2014	Transfer of Check	\$10,000
115	September 29, 2014	Transfer of Check	\$20,000
116	September 29, 2014	Transfer of Check	\$20,000
117	October 3, 2014	Transfer of Check	\$17,500
118	October 15, 2014	Transfer of Check	\$10,000
119	December 1, 2014	Transfer of Check	\$3,250
120	December 12, 2014	Transfer of Check	\$5,000
121	December 31, 2014	Transfer of Check	\$5,000

All in violation of Title 18, United States Code, Sections 1956(a)(3)(B) and 2.

COUNT ONE HUNDRED TWENTY-TWO: (18 U.S.C. § 1956(h) – Money Laundering Conspiracy)

18. From at least in or about 2010, up through and including the date of this Indictment, in the Northern District of California and elsewhere, the defendants,

RICHARD LEYLAND and

EDWIN HETHERTON,

and others known and unknown, unlawfully and knowingly combined, conspired, confederated, and agreed together and with each other to violate Title 18, United States Code, Section 1956(a)(3)(A) & (B).

19. It was a part and an object of the conspiracy that the defendants,

RICHARD LEYLAND and

EDWIN HETHERTON,

and others known and unknown, with the intent to promote the carrying on of specified unlawful activity and to conceal and disguise the nature, location, source, ownership, and control of property believed to be the proceeds of specified unlawful activity, to wit, concealing property from a court in connection with a case under Title 11, in violation of Title 18, United States Code, Section 152, unlawfully and knowingly would and did conduct and attempt to conduct a financial transaction involving property represented to be the proceeds of specified unlawful activity, and property used to conduct and facilitate specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(3)(A) & (B).

All in violation of Title 18, United States Code, Section 1956(h).

COUNTS ONE HUNDRED TWENTY-THREE THROUGH ONE HUNDRED TWENTY-FIVE: (18 U.S.C. §§ 1956(a)(3)(A) & (B) and 2 – Money Laundering)

20. On or about the dates set forth in the following table, in the Northern District of California and elsewhere, the defendant,

EDWIN HETHERTON,

and others known and unknown, unlawfully and knowingly, and with the intent to promote the carrying on of specified unlawful activity and to conceal and disguise the nature, location, source, ownership, and control of property believed to be the proceeds of specified unlawful activity, to wit, concealing property from a court in connection with a case under Title 11, in violation of Title 18, United States Code, Section 152, conducted and attempted to conduct a financial transaction, to wit, wire transfers, involving property represented to be the proceeds of specified unlawful activity, and property used to conduct and facilitate specified unlawful activity, as described in the following table:

Count	Date of Financial Transaction	Type of Financial Transaction	Amount of Financial Transaction
123	March 2, 2010	Wire Transfer	\$45,750
124	March 4, 2010	Wire Transfer	\$40,000
125	March 12, 2010	Wire Transfer	\$35,000

All in violation of Title 18, United States Code, Sections 1956(a)(3)(A) & (B) and 2.

COUNTS ONE HUNDRED TWENTY-SIX THROUGH ONE HUNDRED TWENTY-NINE: (18

U.S.C. §§ 1956(a)(3)(A) & (B) and 2 – Money Laundering)

21. On or about the dates set forth in the following table, in the Northern District of California and elsewhere, the defendant,

RICHARD LEYLAND,

and others known and unknown, unlawfully and knowingly, and with the intent to promote the carrying on of specified unlawful activity and to conceal and disguise the nature, location, source, ownership, and control of property believed to be the proceeds of specified unlawful activity, to wit, concealing property from a court in connection with a case under Title 11, in violation of Title 18, United States Code, Section 152, conducted and attempted to conduct a financial transaction, to wit, wire transfers, involving property represented to be the proceeds of specified unlawful activity, and property used to conduct and facilitate specified unlawful activity, as described in the following table:

Count	Date of Financial Transaction	Type of Financial Transaction	Amount of Financial Transaction
126	September 27, 2010	Wire Transfer	\$48,000
127	October 4, 2010	Wire Transfer	\$52,000
128	October 13, 2010	Wire Transfer	\$65,000
129	December 22, 2010	Wire Transfer	\$20,000

All in violation of Title 18, United States Code, Sections 1956(a)(3)(A) & (B) and 2.

COUNT ONE HUNDRED THIRTY: (18 U.S.C. §§ 641 and 2 – Theft of United States Property)

22. From at least in or about early 2010, up through and including in or about July 2011, in the Northern District of California and elsewhere, the defendant,

EDWIN HETHERTON,

and others known and unknown, unlawfully and knowingly embezzled, stole, purloined, and knowingly converted to his use and the use of another money of the United States and a department and agency thereof, to wit, HETHERTON stole approximately \$29,000 of undercover money of the United States.

1 All in violation of Title 18, United States Code, Sections 641 and 2.

2 COUNT ONE HUNDRED THIRTY-ONE: (18 U.S.C. §§ 641 and 2 – Theft of United States Property)

3 23. From at least in or about early September 2010, up through and including on or about
4 October 22, 2010, in the Northern District of California and elsewhere, the defendant,

5 RICHARD LEYLAND,

6 and others known and unknown, unlawfully and knowingly embezzled, stole, purloined, and knowingly
7 converted to his use and the use of another money of the United States and a department and agency
8 thereof, to wit, HETHERTON stole approximately \$60,000 of undercover money of the United States.

9 All in violation of Title 18, United States Code, Sections 641 and 2.

10 COUNT ONE HUNDRED THIRTY-TWO: (21 U.S.C. § 846 – Conspiracy to Distribute a Controlled
11 Substance/Possess a Controlled Substance with Intent to Distribute)

12 24. From at least in or about March 2014, up through and including the date of this
13 Indictment, in the Northern District of California and elsewhere, the defendants,

14 (1) VLADIMIR HANDL,

15 (2) MICHAEL ROSE,

16 (5) DAVID GAITHER,

17 (8) PAUL FINK,

18 (9) JOHN DAVID MCGAHA,

19 (10) DOMINIC GABRIEL GRISSETT, and

20 (11) RICHARD OBRYANT BUSH,

21 and others known and unknown, unlawfully, knowingly, and intentionally combined, conspired,
22 confederated, and agreed together and with each other to distribute a controlled substance and to possess
23 a controlled substance with intent to distribute, to wit, 5 kilograms and more of mixtures and substances
24 containing a detectable amount of cocaine, in violation of Title 21, United States Code, Sections
25 841(a)(1) and (b)(1)(A).

26 All in violation of Title 21, United States Code, Section 846.

27 FORFEITURE ALLEGATIONS: (18 U.S.C. § 1963 – Proceeds and Property Involved in Racketeering;
28 18 U.S.C. § 982(a)(1) – Proceeds and Property Involved in Money Laundering; 18 U.S.C. §

981(a)(1)(C) and 28 U.S.C. § 2461(c) – Proceeds and Property Derived from Theft of United States Property; and 21 U.S.C. § 853(a)(1) & (2) – Proceeds and Property Derived from Narcotics Offenses)

25. Counts One and Two of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 1963.

26. Upon conviction of any one of the offenses alleged in Count One and Count Two, the defendants,

(1) VLADIMIR HANDL,

(2) MICHAEL ROSE,

(3) PETER SCALISE,

(4) PML CLUBS, INC., and

(5) DAVID GAITHER,

shall, pursuant to Title 18, United States Code, Section 1963, forfeit to the United States of America:

a. Any interest acquired and maintained in violation of section 1962;

b. Any interest in, security of, claim against, and property and contractual right of any kind affording a source of influence over, any enterprise which the defendants established, operated, controlled, conducted, and participated in the conduct of, in violation of section 1962; and

c. Any property constituting, and derived from, any proceeds obtained, directly and indirectly, from racketeering activity and unlawful debt collection in violation of 1962.

27. Counts Three to One Hundred Twenty-Nine of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 982(a)(1).

28. Upon conviction of any one of the offenses alleged in Count Three to Count One Hundred Twenty-Nine of this Indictment, the defendants,

(1) VLADIMIR HANDL,

(2) MICHAEL ROSE,

(3) PETER SCALISE,

(4) PML CLUBS, INC.,

1 (5) DAVID GAITHER,

2 (6) EDWIN HETHERTON, and

3 (7) RICHARD LEYLAND,

4 shall, pursuant to 18 U.S.C. § 982(a)(1), forfeit to the United States any property, real and personal,
5 involved in said violations, and any property traceable to such property.

6 29. Counts One Hundred Thirty to One Hundred Thirty-One of this Indictment are realleged,
7 repeated, and incorporated by reference as though fully set forth herein for the purpose of alleging
8 forfeiture pursuant to the provisions of Title 18, United States Code, Section 981(a)(1)(C) and Title 28,
9 United States Code, Section 2461(c).

10 30. Upon conviction of any one of the offenses alleged in Counts One Hundred Thirty and
11 One Hundred Thirty-One of this Indictment, the defendants,

12 RICHARD LEYLAND and

13 EDWIN HETHERTON

14 shall, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code,
15 Section 2461(c), forfeit to the United States any property, real and personal, which constitutes or is
16 derived from proceeds traceable to said violations, and a conspiracy to commit said violations.

17 31. Count One Hundred Thirty-Two of this Indictment are realleged, repeated, and
18 incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture pursuant
19 to the provisions of Title 21, United States Code, Section 853(a)(1) & (2).

20 32. Upon conviction of the offense alleged in Count One Hundred Thirty-Two of this
21 Indictment, the defendants,

22 (1) VLADIMIR HANDL,

23 (2) MICHAEL ROSE,

24 (5) DAVID GAITHER,

25 (8) PAUL FINK,

26 (9) JOHN DAVID MCGAHA,

27 (10) DOMINIC GABRIEL GRISSETT, and

28 (11) RICHARD OBRYANT BUSH,

1 shall, pursuant to Title 21, United States Code, Section 853(a)(1) & (2), forfeit to the United States all
2 right, title, and interest in property constituting and derived from any proceeds defendants obtained,
3 directly and indirectly, as a result of said violations, and any property used, and intended to be used, in
4 any manner and part, to commit, or to facilitate the commission of the said violations, and any property
5 traceable to such property, including but not limited to:

- 6 a. One guyed tower located at the end of N. Mill Creek Road, Quincy, California
7 95971, FCC Registration Number 1243951, File Number A0383054,
8 Latitude/Longitude 39-56-40.6N, 120-53-56.8W;
- 9 b. One guyed tower located at the end of N. Mill Creek Road, Quincy, California
10 95971, FCC Registration Number 1243953, File Number A0383071,
11 Latitude/Longitude 39-56-41.6N, 120-53-58.8W; and
- 12 c. One guyed tower located at the end of N. Mill Creek Road, Quincy, California
13 95971, FCC Registration Number 1243954, File Number A0383076,
14 Latitude/Longitude 39-56-42.6N, 120-53-57.8W.
- 15 d. Two shelters located at the end of N. Mill Creek Road, Quincy, California 95971.
- 16 e. One generator located at the end of N. Mill Creek Road, Quincy, California
17 95971.
- 18 f. 51% ownership of Young Millionaires Team, LLC.

19 33. If any of the property described above, as a result of any act or omission of the
20 defendants:

- 21 a. Cannot be located upon the exercise of due diligence;
- 22 b. Has been transferred or sold to, or deposited with, a third party;
- 23 c. Has been placed beyond the jurisdiction of the court;
- 24 d. Has been substantially diminished in value; or
- 25 e. Has been commingled with other property which cannot be divided without

26 difficulty,

27 the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 18,
28 United States Code, Sections 982(b)(1) and 1963(m), and Title 21, United States Code, Section 853(p).

1 All pursuant to Title 18, United States Code, Sections 1963, 982(a)(1), and 981(a)(1)(C), Title
2 21, United States Code, Section 853(a)(1) & (2), and Title 28, United States Code, Section 2461(c).

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4 DATED:

A TRUE BILL.

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8 MELINDA HAAG
United States Attorney

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DAVID R. CALLAWAY
Chief, Criminal Division

(Approved as to form:

W.S. WILSON LEUNG
DAVID B. COUNTRYMAN
Assistant United States Attorneys